STATEMENT OF

VIETNAM VETERANS OF AMERICA

Presented By

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Before The

House And Senate Veterans' Affairs Committees

Regarding

2002 Legislative Priorities

March 20, 2002

Chairman Rockefeller, Chairman Smith, Ranking Member Specter, Ranking Member Evans, distinguished members of the House and Senate Veterans' Affairs Committees, Vietnam Veterans of America (VVA) is grateful for the opportunity to present our most pressing concerns regarding the vital needs of veterans to you and your distinguished colleagues. Mr. Chairman, I would be grateful if you would enter our prepared statement into the record, and I will try to summarize some of our major concerns.

Mr. Chairman, VVA asks that you and your colleagues join VVA in urging the President and the Secretary of Defense to take all steps necessary to determine the fate as well as to secure the repatriation of Lt. Cmdr. Michael A. Speicher at the earliest possible date. We need action now not many years later as happened with those serving in Vietnam. There is credible evidence emerging that he was alive when he reached the ground. Our national leadership must act on this matter.

VVA also urges the appropriate committees of Congress to investigate why this information was not acted upon immediately and was withheld until a news account appeared in the British press. We must secure the answers for Lt. Cmdr. Speicher's family and be able assure the young men and women in uniform today that they will not be abandoned.

Department of Veterans Affairs FY 2002 Budget Resources

For the FY02 VA budget, last year VVA strongly recommended that Congress allocate not less than $1.7 billion above the level for FY2001, just to keep pace with inflation at the Veterans Health Administration (VHA). We recommended an additional $600 million to restore organizational capacity (particularly in the specialized services) that has been lost since 1996. We predicted that unless those funding targets were met, the VA would be forced to cutback services for veterans across the country. That prediction came to pass in the fall of 2001 when VA instructed each network to identify at least 2% "efficiencies" (i.e., a euphemism for cuts) in the existing budget and reduce services and programs accordingly. Substance abuse, PTSD, and other services were cut back across the nation, to the detriment of veterans everywhere.

Part of that same crisis was narrowly avoided when stopping enrollment of Category 7 veterans was averted just prior to the November 29, 2001, meeting with the VSOs. Secretary Principi made a final appeal to the White House for at least $142 million for the FY02 budget. Without those funds, Secretary Principi would have been forced to end enrollment of Category 7 veterans effective November 30, 2001. Faced with the prospect of turning away tens of thousands of veterans from the VA healthcare system, the administration assured Secretary Principi that the money would be found. Had the administration—and here we specifically mean OMB and the senior White House political staff—listened to VVA and our fellow VSO's early on in the budget process, this problem could have been avoided.

On February 27, 2002, then-Acting Undersecretary for Health Dr. Frances Murphy informed the VSO's that she had released $162 million in Central Office funds for use by the networks. That money, combined with the aforementioned $142 million, would, in the words of the VA's Dr. Laura Miller, prevent further layoffs at "most" VA facilities. Thus, even the $304 million outlined above would still not be adequate to prevent further reductions-in-force through attrition, much less restore lost organizational capacity.

In fact, the shortfall in VHA funding this year is approximately $700 million. Every VHA facility in the country is in a layoff mode and has been since last summer. So-called "management efficiencies" are nothing more than cutting staff and reducing services further. At minimum, "layoffs by attrition" will result in an overall cut of 5-7% of VHA staff by this, if supplemental funding is not provided. The overall effect on morale is devastating, which increases the burnout rate of the most caring clinicians, and a push to leave VA no matter how committed they are to serving veterans. Military callups of Guard and Reserve clinicians has further depleted the ranks of VHA. In short, we need a supplemental appropriation of $700 million for FY02 right now.

Department of Veterans Affairs FY 2003 Budget Resources

We are very pleased and grateful that the House Budget committee has suggested an increase in the FY 2003 budget for VHA operating funds to a total of $23.9 billion. Your proposal represents the first realistic effort in years to provide the additional appropriated dollars necessary to reverse the decline in organizational capacity and restore vitally needed services for our most vulnerable veterans. We are grateful to Chairman Nussle, Ranking Democrat Spratt, and the members on the House Budget Committee for this action.

VVA is proud to endorse the Independent Budget of the Veterans Service Organizations (IBVSO). We commend AMVETS, DAV, PVA, and the VFW for the extraordinary job they do on this document that has earned credibility on Capitol Hill.

Regarding the administration's FY 2003 request, I will reiterate what we told the House Veterans' Affairs Committee at the February 13 hearing: VHA needs at least $25.5 billion in real, appropriated dollars—not phantom dollars from "projected" third-party reimbursements—just to maintain the VA's current capabilities. This is the same amount requested by the IBVSO. VVA believes that an additional $750 million is needed, over and above inflation and other increases, to begin restoration of organizational capacity that has been lost since 1996 and to adequately prepare for the "Fourth Mission."

VVA believes it is time for Congress to make healthcare spending for Category 1-6 veterans an entitlement program, just as Congress has already made healthcare spending for military retirees an entitlement through TRICARE and related programs.

VVA certainly believes that high-quality, easily accessible medical care for service-connected non-retiree veterans is an earned right, not an "optional program." Money for such an important service must be put into a predictable, stable funding stream, insulated from the budgetary twists and turns of the annual fight over limited discretionary dollars.

Additionally, to ensure that such a mandatory funding program is implemented in a rational fashion, the VA must establish a priority ranking system for treating veterans to ensure that those with the greatest disabilities and most in need are seen first. At the February 27, VHA/VSO meeting, VHA representatives indicated that appointment waiting times for existing patients average 38 days; new patients are waiting 60 days or more for their first visit. Reports reaching us, and our experience with hospitals from Miami to Washington state, indicate that the VHA "official" average" of delays is significantly less than what is actually occurring. Moreover, VA cannot tell the VSOs or the Congress how many service-connected veterans are waiting to be seen by a doctor. VA's current "first come, first serve" approach to healthcare must give way to a genuine needs-based approach to serving veterans.

VVA has vigorously opposed the CARES process as currently constituted. After ostensibly seeking public comment on the very flawed process used in the so-called pilot in Veterans Integrated Service Network 12 (Illinois, Wisconsin, and small parts of Michigan and Minnesota), VA ignored all of the public comments and is moving ahead with this flawed plan based on this flawed process. This plan would reduce SCMI inpatient capacity beds by another 146 beds, from what is already a level below the capacity of FY1996. This flies in the face of the 1996 law, reiterated explicitly in the 2001 law. VVA contends that VA does not have the right to implement a plan that is on the face illegal. VVA urges Congress to stop the hasty rush to facilities and services.

VVA is NOT against a reasonable capital realignment effort that begins with a true assessment of the veterans healthcare needs of the population in a given area, and involves the veterans community and all elements of VHA staff. VVA is against a rush job such as CARES as currently designed. We must ensure that proper stewardship of the national resource that is the Veterans Health Administration is preserved and protected by halting this rash slashing and cutting. Once these additional SCMI resources are gone, they will never be restored.

One other area of the VA budget requires mention: funds dedicated to the "fourth mission" are inadequate to meet mission-critical needs. Put quite simply, in case of an attack resulting in 5,000 or more casualties at one time in any given congressional district, the civilian medical system would be overwhelmed and the VHA medical facilities would implode. Many American citizens would suffer and die needlessly. Our understanding is that of the roughly $28 billion allocated for homeland security, VA's share was a paltry $77 million.

More than half of the United States military hospitals that existed in the continental United States at the end of the Gulf War are still in operation, many at an even more reduced level that the VA medical facilities. The private and nonveteran public-sector hospitals are also many fewer in number than ten years ago. VVA believes that VA needs at least ten times that figure just to begin to meet a mass casualty scenario requiring VA intervention. Training and preparation in how to handle biological warfare, chemical warfare, and nuclear warfare injuries is virtually nonexistent at VHA.

We urge the committee to work with other committees of jurisdiction in the House to ensure that the VA is properly resourced to meet its responsibilities as part of the National Disaster Medical System. VVA believes that the $500 million to start restoration of capacity would cover many of the needs in Seriously and Chronically Mentally Ill services as well as preparation for the fourth mission.

Veterans Healthcare

VVA is strongly committed to holistic care for veterans, with a concerted effort to keep veterans as healthy, independent, and autonomous as possible. To do this, VA must do a better job of examining veterans, particularly for all of the maladies and conditions that may be related to their military service. Key to this is changing the corporate culture of VHA staff from being just a general healthcare system that happens to be for veterans instead of what their real mission is—a veterans healthcare system that concentrates on the wounds of war and of military service. For this to happen, a complete military history needs to be taken of every veteran, and used to indicate follow-up tests based on when, where, and what branch the veteran served.

In regards to specific health care issues, VVA strongly supports hearings and prompt passage of H.R. 639, the Veterans Hepatitis C Comprehensive Health Care Act, introduced by Congressman Freylinghuysen (R-N.J.) and co-sponsored by more than 60 members of both parties, to ensure that resources and quality assurance actually reach the service-delivery level where needed. Additionally, VVA strongly favors action to confirm hepatitis C as a presumptively service-connected condition and we ask that you work with us on a bipartisan basis to develop proper legislation regarding service-connected presumption for hepatitis C before the 107th Congress ends.

Medical Research

The administration has requested $409 million for the VA research budget in FY 2003, an approximately $38 million increase from FY 2002. VVA will support this request if the committee issues report language mandating that VA approve only those research projects directly relevant to the specific health concerns or service-related exposures of veterans.

Moreover, new research projects should only be funded if the researchers collect the full military medical history of veterans involved in the study. We believe such prescriptive measures are the only way to begin changing the VA Research and Development Office's corporate culture, which currently seems to view the VA's research mission as one largely dedicated to general medical research, rather than one focused on medical research specific to and relevant for veterans. Despite continuing efforts of VVA leaders to help this section of VHA understand the importance of this refocusing of efforts, persuasion and intellectual arguments have not worked. Therefore, we ask Congress to mandate such a proper focus.

More broadly, VVA believes it is well past time for a complete reevaluation of both DoD's and VA's role in medical research. VVA recognizes that the VA has established a reputation for providing advanced care for blinded veterans and for those with severe ambulatory impairments. However, the VA has never truly developed a corporate culture focused on the diagnosis and treatment of the full range of environmental and occupational hazards unique to military service.

This is especially true of the VA's Research and Development Office, where the overwhelming majority of VA-funded research programs are geared towards medical problems found in the general population, without a perfunctory nod toward how veterans may have conditions that differ from nonveterans.

Just as VA healthcare should be veteran-focused, so, also, should VA medical research. VVA believes it is long past time to end the DoD-VA monopoly on the control of funds allocated for military and veteran-related medical research. To end this conflict of interest and restore integrity to the process of investigating and treating veterans medical conditions, last year VVA called for the creation of a National Institute of Veterans Health (NIVH) within the NIH.

Veterans Equitable Resource Allocation (VERA)

We share your concern that VA is still not properly accounting for or using appropriated monies. We read with considerable interest GAO's February 2002 report on VERA, which focused on how money disbursed from the VA Central Office is allocated to the Veterans Integrated Services Network (VISN) directors. We believe that GAO was very much on the mark when pointed out that:

> "VERA excludes about one fifth of VA's workload in determining each network's allocation. The excluded veterans are those with higher incomes who do not have service-connected disabilities. Second, VERA does not account for cost differences among networks resulting from variation in their patients' health care needs as well as it could***" (GAO 02-338, VA Resource Allocation, p. 3)***

Unfortunately, Congress did not ask GAO to evaluate how the money is spent after it arrives at the network. VVA believes it is vital that such an evaluation be done immediately, given what GAO has already reported about the VA's failure to properly account for the $535 million allocated since FY 2000 for hepatitis C virus (HCV) screening, testing, and treatment.

Almost one year ago, GAO informed the House Appropriations Committee that the VA had "significantly understated" the difference between its FY 2000 budget and reported HCV program expenditures, to the tune of nearly $150 million. GAO opined that "management decisions" were a major contributing factor in the VA's failure both to account for the money and to screen and treat veterans effectively for HCV. According to GAO:

- VHA included HCV funds as part of its general medical care resource distribution process, without clearly communicating how much money was available for HCV programs. As a result, HCV screening and testing activities varied widely across the VA system, with local managers generally taking a very conservative approach for fear of overspending on HCV programs.
- VHA failed to establish performance targets for network directors regarding HCV screening, testing, and treatment. In response to the GAO report, VHA pledged to include such performance targets in its FY 2003 budget submission. VVA staff carefully evaluated the HCV portion of the budget submission ***(Vol. 2, pp. 2-132 through 2-134)*** and found no mention whatsoever of HCV program performance targets for the network directors.

Based on this failure by VA, VVA believes that the Congress must take steps to mandate VA to recentralize funding for specialized services, as well as services for homeless veterans and veterans with hepatitis C.

While VVA applauds the efforts of Secretary Principi to develop better financial tracking and management-information tools, we must move more quickly to implement accountability mechanisms at the Central Office level, in order to ensure that appropriate dollars are spent on the programs they were designed to fund.

In VVA's view, the first three steps in this process are:

One, there is a pressing need to centralize funding and control over each of the specialized services, in a manner similar to what has happened in prosthetics. Only since

prosthetics has been recentralized have the problems in this area abated. There is a pressing need to centralize other specialized services, such as Seriously & Chronically Mentally Ill (SCMI), PTSD treatment, spinal cord injury services, and blind and visually impaired.

Control and faith placed in the VISN directors to do the right thing and stay in compliance with the 1996 Veterans Eligibility Reform Act simply has not worked. No matter what face VHA tries to put on this issue, it has reduced the organizational capacity in all of the specialized services below the FY 1996 level.

Two, VVA urges you to work with the Secretary and give him statutory authority, if necessary, so that he ensure that VISN Directors, VAMC Directors, managers, supervisors, and others are held much more accountable for performance. The same is true on the VBA side of the VA, in that VA Regional Office Directors, managers, and supervisors should be held accountable for the accuracy and fairness of claims decisions and the proper actions of their Vocational Rehabilitation people in truly assisting disabled veterans.

Three, VVA urges both the House and Senate Veterans' Affairs Committees to hold oversight hearings on what the VA said they were going to do in FY2000 in the narrative that accompanied their budget request. Since the Congress gave them a great deal more than they asked for, the problem cannot be lack of resources.

Vet Centers

Vietnam Veterans of America asks that this committee take steps to ensure the VA Readjustment Counseling Service, popularly known as the VA Vet Centers, are accorded at least 250 more FTEE and at least another $17 million for FY2003, as compared to FY 2001. The Vet Center program has been perhaps the most studied program at VA over the last 20 years, and endures as a low-cost, highly effective, and cost-efficient program that helps many veterans overcome problems that get in the way of finding and keeping a job, and help reunite and keep families together. The additional FTEE would create a full-time family counselor at each of the 206 Vet Centers, as well as allow the most overwhelmed Vet Centers an additional staff member. The demand for services from the Vet Centers is up by 3 percent for FY2001, FY00 and FY99 over the previous year. Early reports indicate demand for services is up dramatically, by as much as 15 percent, since the 9/11 attacks. Much of that need is for children and spouses of veterans. Just as important, there are many veterans of all generations who will use one of the Vet Centers but will not go near a Veterans Administration Medical Center. That is likely to be true of those now serving as well.

Vietnam Veterans of America asks that you take steps to insure that both inpatient and residential care treatment for veterans with chronic, acute Post-traumatic Stress Disorder (PTSD) is available in each of the 22 VISNs and that overall resources in this area be

restored at least to the levels of FY 1996. We also ask that you take all necessary steps to restore substance-abuse treatment programs.

Gulf War

Regarding Gulf War illnesses, VVA was pleased that Secretary Principi moved to compensate veterans (or their survivors) suffering from amyotrophic lateral sclerosis (ALS). The Secretary did this in advance of the publication of research showing that Desert Storm veterans suffer from this fatal neurological disease at twice the rate of their nondeployed colleagues. We remain troubled, however, that the Secretary has not issued regulations formally declaring ALS a service-connected presumptive condition, and we hope that your committees will take up this issue with Secretary Principi at the earliest possible moment.

Department of Defense (DOD) and Department of Veterans Affairs (VA) Healthcare Sharing

VVA believes that any discussion of this subject must begin by facing one central fact: the purposes of the two medical systems (and therefore their missions, corporate culture, and mind-set) are very different, and that therefore the needs of each system must be tailored to the needs of the specific population it serves. Ignoring this reality guarantees that any legislative initiative designed to improve coordination will ultimately fail to meet its objective.

VVA agrees with Dr. Gail Wilensky, chairperson of the Presidential Task Force to Improve Healthcare for Our Nation's Veterans, who noted in her testimony before Congress on March 7 that focusing on facility collocation as an end product of DoD/VA sharing would be a major mistake.

At present, DoD and VA employ two completely different means of deciding which patients will be seen in what order. Military treatment facilities use a very defined set of priorities and categories for treating patients; VA employs a "first-come, first-served" model. For the entire beneficiary population, this is the issue of greatest importance. Who is first in line for care: the two-tour, double-amputee Vietnam veteran, or the 25-year retiree who suffers from Gulf War illnesses? In our view, the way to avoid this problem is to properly fund both healthcare systems so that all veterans can be served in a timely fashion.

We fully support efforts at joint procurement, where practical: pharmaceuticals, medical and surgical supplies, and other equipment and supplies that can be purchased in bulk for the benefit of both agencies. VVA has long championed a single, life-long, and comprehensive military medical and service record for all veterans. This is clearly another area where DoD and VA must make progress; only consistent (and insistent) congressional oversight will produce results in this area. Graduate medical education is

very probably another area where greater coordination is both possible and needed. Overall, however, we would urge the Congress to await the publication of the Presidential Task Force's interim report before attempting to legislate increased DoD/VA sharing in a piecemeal fashion.

National Institute for Veterans Health (NIVH)

We urge this distinguished Committee to work with other committees of jurisdiction to establish a new NIVH within the National Institutes of Health, which would assume the lead role (and accompanying resources) in investigating medical conditions affecting veterans, to include "human factors" research relevant to military safety issues. Such NIVH authorizing legislation must mandate that veteran advocates serve as full voting members on the peer-review panels that make research funding decisions, alongside scientists who understand veteran health issues. VVA believes Congress could create a research institute that would be truly focused on the unique medical needs of veterans. Locating the NIVH within NIH would ensure that the full medical resources of the federal government and private sector could be marshaled in a rational, veteran-friendly environment, free of the politics and conflicts that for more than 20 years have precluded effective research This NIVH also would have the specific authority and responsibility to ensure that veteran-specific topics are adequately explored by all institutes within NIH.

Declassification of Military Records

No matter what other mechanism for research is created by the Congress, pertinent records must be declassified and available to make any system work. VVA urges creation of a congressionally directed, mandatory declassification review panel, whose purpose would be to screen (on both a historical and an ongoing basis) and declassify any operational or intelligence records for evidence of data that would have an impact on the health and welfare of American veterans. The need for such an entity—completely independent from the Pentagon and the U.S. intelligence community—is obvious.

Even today, thousands of pages of Gulf War-related records remain classified. In January 1998, the CIA admitted that its own internal review had identified over one million classified documents with potential relevance to Gulf War illnesses. Virtually no documents associated with the 1960's-era Shipboard Hazard and Defense (SHAD) program have been declassified, something VVA finds inexplicable given that the tests took place over 30 years ago. Through the experience of the Kennedy Assassination Review Commission and similar entities, we have learned that such specialized declassification panels work well. If we are to be certain that all data that may affect the health of American veterans are available for veterans and their physicians, Congress must create a standing declassification review panel. Such a move would also help to restore trust and confidence among veterans in the federal government and its response to veteran's health issues.

VVA has heard that administration officials are considering issuing a new executive order on classification that would give executive branch authorities the power to reclassify previously declassified data. VVA is adamantly opposed to any regulatory or legislative efforts that restrict the public's right to know what actions executive branch officials are engaged in, particularly where the health and welfare of American military personnel and veterans are concerned. Should the administration actually promulgate an executive order with such a provision, VVA will seek legislation that would bar such a practice. We urge the members of both Veterans' Affairs Committees to send a strong, unified, bipartisan message to the White House that any reclassification scheme is unacceptable to Congress.

Agent Orange

VVA participated in the Agent Orange conference in Hanoi earlier this month that will lead to actual research on the ground in Vietnam. We believe that this research will help provide some of the answers for which Vietnam veterans and their families have been searching for years. We are deeply grateful to Congressman Lane Evans as well as to Senator Daschle and Senator Harkin for their stalwart support of this issue.

In addition to this research in Vietnam, we need a large scale epidemiological study of Vietnam veterans and their families to be started now. The Chair of the Institute of Medicine of the National Academy of Science's (IOM) most recent biennial study said this is the most pressing need for the IOM to be able to do their job correctly. We urge introduction and passage of a bill that will set aside at least $50 million over a ten-year period to conduct such a study through IOM, with VA as the intermediary. The actual contract should only be after a committee that involves veterans has approved the shape of the contract with IOM, and the Veterans Committees have had at least 60 days to review such contract. But time is running out for Vietnam veterans and their families. We need this authorization this year for such a government-funded, privately conducted, peer-reviewed study. We look forward to working with the committees on the details of such a bill in the near future.

Veterans Benefits and Claims

Regarding the Veterans Benefits Administration (VBA), VVA believes that high adjudication error rates, increasing claim backlogs, and undue processing delays cannot be rectified until higher agency standards of training, uniformity of practice and procedure, communication, and accountability are implemented. Improvement will require fundamental changes in the institutional culture of the Veterans Benefits Administration (VBA) adjudicators and management. As an example, VVA cites evidentiary development procedures that focus on obtaining negative evidence to support a denial of benefits. Another example of this poor corporate culture is the commonly experienced seeming and real indifference of many adjudicators and Regional Office managers and supervisors to VA laws, regulations, and judicial precedents.

The Veterans Benefits Administration (VBA) should develop and implement standardized claims submission requirements to ensure timely, consistent, and efficient decision making. This will require enhanced cooperation between the veterans service organizations and the VBA. If the BVBA works together with the VSOs, decisions will be made more quickly and adequately at the administrative level, without the need for prolonged appellate processes. Adequately developed claims at the outset will reduce the number of appeals, remanded claims (which, by law, must be expedited over unadjudicated claims), and backlogs at the regional offices. It will further reduce the time it takes for veterans and their dependents to receive vitally needed financial and healthcare benefits. Often, an award of service connection is a prerequisite to VA health care.

VVA urges stronger efforts to demand accountability for senior VA officials. Requiring that there be clear criteria (published at the beginning of each fiscal year) for bonus awards for each GS 14, 15, SES position, and that the particular actions taken by an individual to meet or exceed those criteria be easily available to the public. Further, top management should be held accountable by the President to seek that the criteria and the actual justifications be honest and in line with the law and the policies of the Administration.

Military Retirees

In regard to military retirees, VVA strongly supports early passage of proposed concurrent receipt language offered by Chairman Nussle, of the House Budget Committee, to the House Armed Services Committee that would bring an end to concurrent receipt for military retirees. VVA believes there should be no reduction from earned military retiree pay for disability payments any more than there should be deductions from civilian retiree pay for disability payments.

VVA also opposes forcing retirees to choose between their personal healthcare needs and securing healthcare coverage for their families by forcing them to choose either VA or TRICARE as their provider. VVA favors allowing military retirees to have the same access, at the same cost, to Retired Federal Employees Health Care Benefits (RFEHB) as is accorded to civilian federal retirees.

Homeless Veterans

In regard to the vital needs of homeless veterans, VVA urges that $60 million be available in FY02 and $75 million in FY03 for full funding and full implementation of P.L. 107-95, the Homeless Veterans Comprehensive Assistance Act. VVA is grateful to Chairman Smith and Representative Evans, as well as to Chairman Rockefeller and Senator Specter for their assistance in securing enactment of this legislation. Now we ask for your help to make the intent of the bill a reality on the streets.

VVA also urges full funding to implement numerous important changes in the VA Grant & Per Diem Program. Increased rates of daily payment would result in improving the access to funding for the highly cost-efficient, community-based homeless veterans service providers. VVA also urges restoration and extension of effective alcohol- and substance abuse programs for homeless veterans and others. Lastly, VVA urges full funding to the authorized level of $50 million for the Homeless Veterans Reintegration Program (HVRP) employment program for homeless veterans.

Employment, Training and Entrepreneurship

Part of VVA's commitment to treating the "whole veteran" is VVA's belief that virtually all VA programs be measured by whether that program contributes toward helping veterans obtain and sustain meaningful employment at a living wage.

It certainly can be argued that we should spend more in many areas, but in fact VA spends billions on education, training, treatment, and rehabilitation of one sort or another, but all of those prodigious efforts will come to nothing if we do not help the veteran obtain and sustain meaningful employment.

The system for assisting veterans to find work is not working, particularly in many of the more populous areas of the country, and there are no meaningful standards of performance and results, much less rewards for good performance or sanctions for poor results.

VVA urges Congress to pass legislation this year that makes meaningful reform in the Veterans Employment & Training Service (VETS) system at the U.S. Department of Labor and meaningful efforts to hold VA Vocational Education, Counseling, & Employment much more accountable at every level of the organization. Each man and woman must be assisted in obtaining and sustaining meaningful employment at the highest level of the veteran's potential, or in entering self-employment. VVA believes this must be a top priority for this legislative year.

VVA strongly favors an increase in the Montgomery GI Bill to at least $1,000 per month, indexed for inflation into the future. More than an earned benefit, the GI Bill is perhaps the best investment America can make in our future. VVA also urges increasing the

appropriation for the State Veterans Education Approving Agencies to at least $18 million, given their expanded scope and responsibilities under recent legislation. They have been flat-lined for more than five years and are in danger of not meeting their important duties.

VVA opposes the so-called "Managerial Flexibility Act" submitted by the administration and introduced in the Senate. Instead of flexibility, what is needed is more accountability from federal managers in enforcing the Veterans Employment Opportunities Act of 1998 and according veterans-preference eligibles and disabled-veteran-preference eligibles with their full rights under the law. VVA also believes that all special hiring authorities, except the 30 percent disabled veteran hiring authority, be eliminated.

VVA favors an appropriation of at least $3 million for the Office of Veterans Business Development at the Small Business Administration (SBA) and full implementation of Public Law 106-50, the "Veterans Entrepreneurship and Small Business Act of 1999." Further, VVA favors legislation this year that would accord sole source authority and preferential pricing in federal procurement for service-disabled owned businesses and certain other needed changes that have become apparent since the enactment of this law in 1999, in order to fulfill the real intent of Congress and meet the vital needs of veteran and disabled-veteran small business owners.

Women Veterans

VVA asks that you take steps to make permanent the authority for care for sexual trauma, and take steps to ensure that there are enough full-time Women Veteran Coordinators within each VISN to ensure that the needs of women veterans are being met in both the community-based outreach clinics and the medical centers.

VVA also requests that you take steps to ensure that Public Law 106-419, which provides for treatment services and certain benefits to children born to women who served in Vietnam, is implemented at an early date. Not much has happened thus far, and no regulations or proposed regulations implementing this law have been published. VVA further asks that legislation be crafted that would extend the same treatment services and benefits to children with birth defects who were fathered by Vietnam veterans and that Congress exercise its important oversight function to ensure that proper implementing regulations are promulgated and that these needed services are delivered in an effective and timely manner.

In conclusion, VVA also urges significant expansion and better funding for grants to states for construction of state veterans homes and for state veterans cemeteries, in order to meet the demand for long-term care for veterans and for proper burial sites for veterans, no matter where they live in America.

We have attached a list of issues, briefly stated, that outlines the full range of VVA's current legislative and policy concerns (See Appendix I). Mr. Chairman, I thank you for this opportunity to present before this committee today Vietnam Veterans of America's 2002 legislative priorities. I will be happy to answer any questions you may have.

VIETNAM VETERANS OF AMERICA
Funding Statement
March 20, 2002

The national organization Vietnam Veterans of America (VVA) is a non-profit veterans membership organization registered as a 501(c)(19) with the Internal Revenue Service. VVA is also appropriately registered with the Secretary of the Senate and the Clerk of the House of Representatives in compliance with the Lobbying Disclosure Act of 1995.

VVA is not currently in receipt of any federal grant or contract, other than the routine allocation of office space and associated resources in VA Regional Offices for outreach and direct services through its Veterans Benefits Program (Service Representatives). This is also true of the previous two fiscal years.

For Further Information, Contact:
Director of Government Relations
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THOMAS H. COREY

Tom Corey currently serves a National President of Vietnam Veterans of America, the nation's only congressionally chartered organization devoted to serving the needs of Vietnam-era veterans and their families.

A native of Detroit, Corey was drafted into the U.S. Army and sent to Vietnam in May 1967. He served as a squad leader with the 1st Air Cavalry Division. While engaged in an assault against enemy positions in January 31, 1968, he received an enemy round in the neck which hit his spinal cord and left him quadriplegic. He was medically retired in May 1968.

After an extended period of hospitalization, Corey returned to his family in Detroit where he spent much of his time in and out of the local VA hospital. He relocated to West Palm Beach, Florida, in 1972, where he is involved in community affairs and serves on many advisory boards. He has received awards for speaking out for veterans and disabled persons rights.

Corey was the first recipient of the Vietnam Veterans of America's Commendation Medal, VVA's highest award for service to veterans, their families, and the community.

He has served as a member of the board of directors and President of the Paralyzed Veterans Association of Florida. He also serves on advisory boards at the VA Medical Center in West Palm Beach, the VA Research Foundation of the Palm Beaches, and VISN 8 Management Assistance Council.

Corey was the founding President of VVA Palm Beach County Chapter 25, in 1981. In 1991 the chapter was named the Thomas H. Corey Chapter at its tenth anniversary celebration. In 1985, he was elected to a two-year term as a VVA national board member. In 1987, he was elected VVA National Secretary and was re-elected in 1989, 1991, 1993, and 1995 to that position. In 1997, he was elected VVA's national Vice-President.

Tom Corey currently resides in West Palm Beach. He has a 19-year-old son, Brian.

HENRY AVERY TAYLOR

Henry Avery Taylor is a Life Member of Vietnam Veterans of America. He was recently chosen to be the Chairman of the National VVA Government Affairs Committee. Previously, Mr. Taylor has served in various offices at the VVA Chapter and State level, as well as a member of the National VVA Public Affairs Committee.

Avery Taylor served in the United States Army from 1966 to 1970. He was a Communications Center Supervisor in the U.S. Army Security Agency, and served with the 77th SOU Clark AFB 1967-1968, and the 301st ASA Battalion, Ft Bragg in 1968. Taylor served in Vietnam with the 509 RRCUV Ton Sa Nut AB Saigon in 1969. He was awarded the bronze star for meritorious service.

His attended Auburn University and Spartanburg (S.C.) Methodist College. Mr. Taylor has business experience totaling more than thirty years in information technology. His job functions have included programming, analysis, engineering, and management in both Operations and Systems Development. He also has extensive experience with a variety of IBM Mainframe configurations as well as with using Personal Computer systems and applications. For the past eleven years, he has been Senior Quality Assurance Consultant for the Farmers Insurance Group in Baltimore, Maryland.

Avery Taylor and his wife reside in Catonsville, Maryland.

RICHARD WEIDMAN

Richard F. "Rick" Weidman serves as Director of Government Relations on the National Staff of Vietnam Veterans of America. As such, he is the primary spokesperson for VVA in Washington. He served as a 1-A-O Army Medical Corpsman during the Vietnam war, including service with Company C, 23rd Med, AMERICAL Division, located in I Corps of Vietnam in 1969.

Mr. Weidman was part of the staff of VVA from 1979 to 1987, serving variously as Membership Service Director, Agency Liaison, and Director of Government Relations. He left VVA to serve in the Administration of Governor Mario M. Cuomo (NY) as statewide director of veterans employment & training (State Veterans Programs Administrator) for the New York State Department of Labor.

He has served as Consultant on Legislative Affairs to the National Coalition for Homeless Veterans (NCHV), and served at various times on the VA Readadjustment Advisory Committee, the Secretary of Labor's Advisory Committee on Veterans Employment & Training, the President's Committee on Employment of Persons with Disabilities - Subcommittee on Disabled Veterans, Advisory Committee on veterans' entrepreneurship at the Small Business Administration, and numerous other advocacy posts in veteran affairs.

Mr. Weidman was an instructor and administrator at Johnson State College (Vermont) in the 1970s, where he was also active in community and veterans affairs. He attended Colgate University (B.A., (1967), and did graduate study at the University of Vermont.

He is married and has four children.

Appendix I

GOVERNMENT AFFAIRS COMMITTEE

2002 VIETNAM VETERANS OF AMERICA LEGISLATIVE AGENDA AND POLICY INITATIVES

I. HOMELESS VETERANS

Enactment of the "Millennium 'Fair Share' for Homeless Veterans' Act" or an Executive Order:

- Require that a Fair share of resources from all Federal programs be targeted to "veteran specific programs, especially to programs meeting the "special needs" of homeless veterans.
- Increase the per diem allotted to Homeless Veteran Service Delivery Centers under the VA Homeless Grant & Per Diem Program; the per diem to be based on a flat rate rather than on payment for half hour increments of on-site veteran presence.
- Work to establish set aside HUD McKinney homeless dollars to be linked with VA Homeless Grant & Per Diem Program funding to ensure appropriate resources for the establishment of Transitional Housing for homeless veterans.
- That VA Homeless Veteran Program dollars, to include those of the Homeless Grant and Per Diem Program, be set aside in the VA Budget as a line item as fenced funding.

Enactment of "The Service Members' & Veterans" Self Sufficiency Act of 2002"A Holistic' Approach to Assist Homeless Veterans:

- Ensure mental health and PTSD treatment is available in all VAMC and CBOC's.
- Ensure that VA FY03 budget includes authorized appropriated funds for P.L. 107-95 the Homeless Veterans Comprehensive Assistance Act of 2001.
- Ensure FY03 funding for Health and Human Service (HHS) include $1.8 billion for HUD McKinney – Vento Programs; $75 million for Projects for Assistance in Transition from Homeless Programs (PATH); $100 million for Grants for the Benefits of Homeless Individual Programs (GBHI); $1.5 million for the Interagency Council on the Homeless (ICH) and $172 million for Health Care for the Homeless Program (HCH).
- Ensure FY03 funding for Federal Emergency Management (FEMA) include $200 million for the National Emergency Food and Shelter Board –FEMA

- Ensure FY03 funding for Department of Labor (DOL) include $50 million for Homeless Veterans Reintegration Program (HVRP)

II. HEALTH

Enactment of "The Comprehensive Agent Orange and Dioxin Act of 2002", that would authorize, mandate, and fund:

- Research in Vietnam funded at a level of $5 Million per year over a 5 to 6 year period.
- Research in the United States at a level of at least $100 Million in aggregate funding to do research that is independently performed, but funded by the Federal government that would include, but not be limited to: A truly national epidemiological study focused on Vietnam veterans and adverse health impact of exposure to Agent Orange and other toxic substances and experiences in military service plus birth defects in progeny of male Vietnam veterans.
- Review of death certificates of veterans, children and their grandchildren.
- Veterans in Times Beach, MO. and other dioxin contaminated sites in the United States.
- Compile database at Library of Congress or National Institutes of Health and National Institute of Environmental Health Study of all relevant toxic chemicals studies and surveys, to include state studies (i.e., Michigan, NJ).
- Fund fully the "National Institute of Veterans Health" at National Institute of Health**.**
- Additional birth defects studies & presumptive connections where indicated; study birth defects in second and third generations.
- Advocate for presumptive service-connection of all cancers diagnosed in Vietnam veterans.

Enactment of " The Veterans' Comprehensive Health Care Act of 2002":

- Mandate testing for other theater/branch/era/M.O.S. specific conditions as applicable**.**
- Require Medicare subvention for non-service connected conditions at VAMC to keep revenue.
- End discrimination in allocation of resources against neuro-psychiatric disciplines and readdress current imbalance of resources.
- Institute quality assurance system for each VAMC/VISN, for *each* discipline; report to Congress.
- Utilize rewards, sanctions and competitive models to ensure health care quality and real accountability for performance and results at VA.
- Holistic care approach, especially for PTSD/Mental Health/Sexual Trauma.
- Mandate sexual trauma treatment permanent at VHA. Current treatment expires in 2004.

- Create former POW health registry, conduct health studies, and designate as a "special population".
- Mandate "OMBUDSPERSON" at each VAMC w/former POW responsibilities.
- Ensure universal access to services for service related maladies, irrespective of veterans' location.
- Seek approximately $2B increase for inflation VHA in FY03 budget and average increase of $1B for the next 3 years to restore organizational capacity lost since 1996**.**
- Due to the increase in Community Based Outpatient Clinics (CBOC's) VA needs to seek a full time Women's Veterans Coordinators within each VISN office for oversight and coordination of programs to ensure women veterans receive proper medical services at all VHA sites.
- Require a study regarding access to medical care and outcomes, comparing results for each ethnic and racial grouping, as well as differences by gender and age.
- Significantly increase in capital and operating budget for State Veterans Homes.
- Ensure PTSD and Mental Health treatment is available in all standardized geographical areas (21 VISNS). The amount of care available should be related to the veterans population.
- Expand existing alcohol and substance abuse detox services to all VAMC.
- Ensure continuum of care for care of severely chronically mentally ill patients.
- Legislation that would mandate the monies for NIEHS that would be utilized exclusively for agent orange/dioxin research in Vietnam.
- Amend P.L. 102-4 and require that NAS to consider all studies that are relevant to chemicals used in Vietnam.
- Amend P.L. 102-4 in relation to burden of proof on scientific studies.
- Mandate that NAS make a statement on diseases as to whether it is just as likely as not that agent orange/dioxin etc. could have caused the illness.
- Increase vet center staff especially in larger vet centers to the national level of 1,000 FTEE, with increase in funds.
- Mandate research regarding cancers in veterans and their families at Camp Lejeune, NC.
- Mandate dual diagnoses for co-morbidity acute anxiety or severe depression.
- Seek GAO report on quality assurance at VAMC and Community Based Outpatient Clinics.
- Need follow-up aftercare program for veterans coming out of residential programs.
- Need longitudinal study on long-term illness and long term care, and follow up action to fully meet the long-term care needs of veterans.
- Need to maintain the stability and integrity of the Directorship in the VA Center for Women Veterans.

Medical Care for Retirees - VVA is committed to legislation that would allow all military retirees and medically retired military persons and their families to obtain

Federal Employee Health Benefits (FEHB) with no initiation fee, and at the same cost to the individual as for retired Federal civilian employees.

Modify Veterans Equalization of Resource Allocation system (VERA) - VA should readdress and reflect acuity of illness, number of service connected veterans, and low income veterans in dollar distributions.

III . EMPLOYMENT, TRAINING, AND BUSINESS OPPORTUNITIES

- Secure enactment of more ***effective*** legislation to accord Veterans' preference in hiring, promotion, and retention by Federal Contractors; evidence non-discrimination in promotion; Federal Labor Relations Board and Federal courts as adjudicator of claims; demand compliance to bid.
- Work with the Small Business (SBA), Departments of Commerce and Labor to publish small business pamphlets for veterans who want to be entrepreneurs.
- Seek sole source authority for federal agencies to buy from disabled veterans' owned businesses.

The "Veteran Family Preservation Act of 2002"**(veterans' "one stop" legislation)**

- Competitive measures as a means of quality assurance in DVOP/LVER and other employment services programs; results oriented; and "fair share" accountability.
- Re-education and training of veterans for the new 2002 work force.
- Compensated Work Therapy program expanded and coordinated with all Federal resources.
- Mandate full-time DVOP outstation at each Vet Center, VA Vocational Rehabilitation, and other sites. Measure and enforce Federal Contractor Compliance employer contacts (measured results, with rewards and sanctions) with mandate to hire, promote and retain veterans and disabled veterans.
- Authority for VA to provide services to veterans' family members and significant others where clinically indicated; creation of Veterans Family Service Coordinators in each VAMC and VARO.
- Expand and strengthen self-employment assistance programs.
- Seek a GAO or other appropriate study regarding disparities among Compensated Work Therapy (CWT) programs operated by the VA, pursue legislation requiring minimum standards and quality assurance for each CWT site, with real accountability.

IV. BENEFITS

Seek and Secure Congressional Oversight Hearings that address:

- Disparity between Agent Orange claims filed versus claims granted and lack of Agent Orange Research.
- Report on Length of time in adjudication; remand rate (each by category of claim).
- Seek legislation that requires effective *quality assurance* procedures within the Veterans Benefits Administration (VBA) in performance ratings, and require other forms of rewards and sanctions for performance.
- Secondary conditions for non-hodgkin's lymphoma to be placed in part 4 of title 38 CFR
- Review and revise, if needed, the current rating schedule for service-connected mastectomies

Seek enactment of "The Equitable Hazardous Battlefield Compensation Act of 2002" that would include, but not be limited to:

- Service connection for other appropriate conditions related to Agent Orange exposure and other exposures due to service in Vietnam (the "In-Country" effect).
- Service connection for secondary illnesses induced by or exacerbated by exposure to Agent Orange or other toxic substances in military service or by chronic acute PTSD.
- Address inadequacies of VA rating schedules for benefits.

Seek enactment of "The "Dates Bill that would:

- Modify IRS statute or IRS ruling to begin eligibility for 501(C)(19)B to begin in April 1, 1954 and extend to December 31, 1975 for in-country veterans and reinstatement of National Defense Service Medal.
- Adjust the dates of eligibility to receive the Vietnam Service Medal.
- Modify Vietnam "ERA" beginning date as deemed appropriate by the VVA National Board.

Seek Legislation that would:

- Significantly increase in budget for State Approving Authorities (SAA) for education benefits and access to Federal Courts (**not** VA)
- Seek real judicial review for Court of Veterans Appeal (COVA).
- Secure GAO report and oversight hearing concerning homeless and seriously mental ill veterans who have conservators appointed to handle their finances.

- Upgrade VA compensation to reflect actual cost of surviving in today's world Rates have increased only because of COLA.
- Review and revise the current rating schedule of service connected mastectomies.
- Extend benefits to men and women of the Reserved and National Guard to include sexual trauma and assault, while on non-active duty training.
- Seek legislation or regulations to add men to P.L. 106-419 for birth defects. Current law only states women.
- Support Hepatitis C legislation for proper testing, treatment and compensation.
- Support concurrent receipt legislation to allow military retirees to collect full retirement as well as and VA compensation.
- Treating physician rule: establish the principle that the treating physician's opinion hold more weight in determining a rating decision in the Veterans Benefits Administration proceedings.
- Change in the rating schedule of disabilities 38 CFR part 4 for PTSD as a separate diagnostic code to reflect the uniqueness of PTSD and reinstate 38 CFR 4.16C as part of the code.
- Veterans and widows receiving pension benefits are penalized dollar for dollar for virtually any income; eliminate penalty.
- Advocate Congress to protect money allocated for specific veteran programs and extend to three years by legislation, the time frame for the protected money of special need programs.
- Ensure appropriate allocation of time for each Women Veterans' Coordinator to accomplish the mission of the position.
- Seek legislation and fund benefits to provide VA benefits to children of all veterans, who suffer birth defects attributed to service in Vietnam
- Authorize, mandate, and fund additional birth defect studies with presumptive service connection if indicated by study outcome.
- Allow veterans who were transferred to VA hospital as a result of combat services still be accounted as federal services. Currently any time interrupted is not allocated toward retirement in the Civil or Federal Retirement System.

V. POW/MIA

- Seek to enforce law that all post offices fly the POW/MIA Flag on the days they are required to do so. A lot of post offices are still not doing it despite the law.
- Work to get the third Friday, in September recognized as National POW/MIA Recognition Day in each and every state.
- Push for quicker and full declassification of all documents dealing with POW/MIAs.

VI. STATE LEGISLATION

Work with the State Councils to seek enactment of legislation to create:

- A VVA state legislative agenda appropriate to each state in the country that is actively pursued.
- State Veterans' Preference laws modeled on Florida's recent law.
- Veterans' "set-aside" in state procurement based on California's law.
- "POW/MIA Recognition Day" to conform with Federal date.

VII. INTEGRITY OF VETERAN RECORDS

- Seek legislation that would make it a felony under Federal law for any person to fabricate, falsify, modify, or in any way alter a DD-214 or any other military personnel or medical records.
- Seek legislation that would make it a felony under Federal law for any private citizen to access another person's confidential military, medical, or veterans records without that person's explicit written permission; or to transmit, receive, publish, or disseminate such illegally garnered information; or to assist or enable such gathering, transmission, or dissemination in any manner.
- Eliminate memorandum of understanding (MOU) between the Veterans Benefits Administration and Federal Bureau of Investigation pursuant to "Brady Bill" that would use veterans' records to deny rights to own a hand gun.
- Eliminate states garnishment of 10% of incarcerated veterans disability compensation.